



## MEMORANDUM

**TO:** Indiana State Board of Education

**FROM:** Judy Jenkins, Director, Office of Student Learning

**SUBJECT:** Personal Financial Responsibility Legislation

**DATE:** May 22, 2009

Indiana Code 20-30-5-19, as added by [Public Law 154-2009](#) (House Enrolled Act 1581) effective July 1, 2009, requires Indiana accredited schools to include instruction concerning personal financial responsibility in the curriculum for all students in grades 6-12. To meet the requirements of the legislation, schools may: (1) integrate instruction within the curriculum; or (2) conduct a seminar designed to foster overall personal financial responsibility. (See legislation attached to this memo, page F 4.)

### What Has Been Done

Indiana Department of Education Curriculum Specialists in Family and Consumer Sciences and Business Education, in collaboration with Math, Social Studies, and Service Learning/Character Education, have been working on a statewide Financial Literacy Initiative for the past two years with the following outcomes:

- A. A Financial Literacy Task Force was formed in 2007 with key state leaders to collaborate in the development of financial literacy curriculum recommendations.
- B. Implementation of the Financial Literacy Task Force Recommendations resulted in:
  - 1. The creation of state standards for Financial Literacy Education:
    - End of 8th grade State Standards validated December 2007,
    - Core standards for End of 8th grade identified Spring 2008,
    - End of 12th grade standards validated Fall 2008.
  - 2. Launching a Financial Literacy Website on the IDOE website at <http://doe.in.gov/octe/facs/IndianaFinLitEd-FrontPage.html>
  - 3. Creating and posting sample Financial Literacy curriculum units and resources.
- C. Professional development training was provided over the last two years to Business, Family & Consumer Sciences and Social Studies teachers utilizing numerous providers.
- D. A collection of Financial Literacy resources and trainings materials was compiled for Indiana schools and teachers with the help of numerous profit and nonprofit groups (see resources lists on website)

## Resources in Place

Indiana schools have a variety of options and resources that can be used to meet the requirements of the new Personal Financial Responsibility legislation including:

- Financial Literacy curriculum standards for students in Grade 8 and Grade 12.
- Two primary state-approved high school courses *Personal Finance* (Business) and *Personal Resource Management & Family Finance* (Family and Consumer Science) that meet the basic requirements of the law.
- Additional high school and middle school courses and units that may be used to meet the requirements of the law including: *Adult Roles and Responsibilities* (high school) and *Personal Finance/Economic Decisions*, *Financial Literacy & Resources*, and *Financial Literacy Education* (middle school).
- Free curriculum, lesson plans and learning resources through national and state organizations including the Indiana Council on Economic Education (ICEE), Indiana and National Jump\$tart Coalitions, Family Economics Financial Education (FEFE), the National Endowment for Financial Education (NEFE), Federal Deposit Insurance Corporation (FDIC), Federal Reserve Bank, President's Advisory Council, and the Indiana Cooperative Extension Service)
- An Indiana Department of Education DOE Financial Literacy Education website at: <http://doe.in.gov/octe/facs/IndianaFinLitEd-FrontPage.html>

## What Remains To Be Done

Several issues still need clarification. The following summary of the issues is accompanied by recommendations from the IDOE Financial Literacy specialists.

Issues Needing Clarification	Possible Responses
A definition for the word “seminar” in legislation.	Possible definition – “A presentation or series of presentations resulting in at least 16 hours of instruction.”
Agreement on the meaning of “a curriculum that ensures personal financial responsibility.”	Suggested – “A curriculum based on Indiana Financial Literacy Standards for Grades 8 and 12.”
Whether a designation is needed of the specific Indiana Middle School units and High School courses that meet the intent of this legislation.	<ol style="list-style-type: none"><li>1. Middle School<ul style="list-style-type: none"><li>• <i>Personal Finance/Economic Decisions</i> (Business Education)</li><li>• <i>Financial Literacy &amp; Resources</i> (Family &amp; Consumer Sciences)</li><li>• <i>Financial Literacy Education</i> (Cross Disciplinary Unit)</li></ul></li><li>2. High School<ul style="list-style-type: none"><li>• <i>Adult Roles &amp; Responsibilities</i> (Family &amp; Consumer Sciences)</li><li>• <i>Personal Finance</i> (Business Education)</li><li>• <i>Personal Resource Management &amp; Family Finance</i> (Family &amp; Consumer Sciences)</li></ul></li></ol>

Issues Needing Clarification	Possible Responses
Whether to pursue the creation of a new multidisciplinary course (tentatively titled <i>Personal Financial Responsibility</i> ) that would allow teachers of Business, Social Studies and Family & Consumer Sciences to teach it.	<ul style="list-style-type: none"> <li>• Currently, only teachers in the designated curriculum areas are licensed to teach existing courses.</li> <li>• Creating the new course would give schools more flexibility and less duplication.</li> <li>• Specific components of 21<sup>st</sup> Century Skills would be incorporated into the curriculum.</li> <li>• Existing <i>Personal Finance</i> and <i>Personal Resource Management &amp; Family Finance</i> courses could be collapsed into this one course.</li> </ul>
Whether to recommend use of a statewide student assessment of financial literacy.	<p>Currently, the following assessments are available for use:</p> <ol style="list-style-type: none"> <li>1. American Association of Family &amp; Consumer Sciences national assessment - \$20/student, price negotiable with statewide contract</li> <li>2. TimeMAPS Online Testing System – <a href="http://www.timemaps.biz">www.timemaps.biz</a></li> </ol>
Whether to designate additional ways that students can meet the requirements of the legislation.	<ul style="list-style-type: none"> <li>• Seminars</li> <li>• Independent online courses</li> <li>• “Test-out” opportunities</li> </ul>

**IC 20-30-5-19 [EFFECTIVE JULY 1, 2009]**

Sec. 19. (a) Each school corporation, charter school, and accredited nonpublic school shall include in its curriculum for all students in grades 6 through 12 instruction concerning personal financial responsibility.

(b) A school corporation, a charter school, and an accredited nonpublic school may meet the requirements of subsection (a) by:

- (1) integrating, within its curriculum, instruction; or
- (2) conducting a seminar;

that is designed to foster overall personal financial responsibility.

(c) The state board shall adopt a curriculum that ensures personal financial responsibility is taught:

- (1) in a manner appropriate for each grade level; and
  - (2) as a separate subject or as units incorporated into appropriate subjects;
- as determined by the state board.